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# IN THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF VIRGINIA Richmond Division

IN RE:

ROBERT E. HICKS,

Chapter 7

Case No. 18-30214-KLP

DEBTOR.

PETER J. BARRETT, IN HIS CAPACITY AS CHAPTER 7 TRUSTEE OF THE BANKRUPTCY ESTATE OF ROBERT E. HICKS,

PLAINTIFF,

 $\mathbf{V}$ .

Adversary Proceeding No. 19-03028

CITIZENS AND FARMERS BANK; FRANKLIN AMERICAN MORTGAGE COMPANY; AND APRIL STRAUS,

**DEFENDANTS.** 

#### AGREED ORDER RESOLVING CLAIMS AND GRANTING RELEASES

In consideration of the allegations set forth in the *Complaint* [AP Docket No. 1] filed by Peter J. Barrett, Chapter 7 Trustee (the "**Trustee**") of the bankruptcy estate (the "**Estate**") of Robert E. Hicks, by counsel, against Citizens and Farmers Bank, Franklin American Mortgage Company, and April Straus seeking to avoid certain liens and to determine the validity, priority, and extent of the remaining liens on the real property located at 3232 Grove Avenue, Richmond,

Virginia 23221 (the "**Grove Avenue Property**"), the Grove Avenue Property being more particularly described as:

ALL THAT CERTAIN LOT, PIECE OR PARCEL OF LAND, TOGETHER WITH ALL IMPROVEMENTS THEREON BELONGING, KNOWN, NUMBERED AND DESIGNATED AS NO. 3232 GROVE AVENUE, LYING AND BEING IN THE CITY OF RICHMOND, VIRGINIA AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEASTERN INTERSECTION OF GROVE AVENUE AND TILDEN STREET, THENCE RUNNING EASTWARDLY ALONG AND FRONTING ON THE NORTH LINE OF GROVE AVENUE 33 FEET AND EXTENDING BACK NORTHWARDLY FROM SAID FRONT BETWEEN THE EAST LINE OF TILDEN STREET AND A LINE PARALLEL THEREWITH 140 FEET TO AN ALLEY 12 FEET WIDE, ALL AS SHOWN ON A PLAT OF SURVEY BY A.G. HAROCOPOS & ASSOCIATES, P.C., CERTIFIED LAND SURVEYOR AND CONSULTANT, DATED APRIL 29, 1992, ATTACHED TO AND MADE A PART OF DEED IN DEED BOOK 302, PAGE 1875 AND TO WHICH PLAT REFERENCE IS HEREBY MADE FOR A MORE PARTICULAR DESCRIPTION OF THE PROPERTY HEREBY CONVEYED.

BEING THE SAME REAL ESTATE CONVEYED TO ROBERT E. HICKS AND APRIL G. STRAUS BY DEED FROM APRIL G. STRAUS, DATED JANUARY 12, 2016 AND RECORDED MARCH 11, 2016, IN THE CLERK'S OFFICE, CIRCUIT COURT, CITY OF RICHMOND, VIRGINIA, AS INSTRUMENT NUMBER 160004380

; and further finding that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334, and the general order of reference from the U.S. District Court for the Eastern District of Virginia; and further finding that this matter is a core proceeding under 28 U.S.C. § 157(b)(1)(A), (F), (H), (K), and (O); and further finding that venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and further finding that service of the Complaint and summons was proper as to April Straus pursuant to Rule 7004 of the Federal Rules of Bankruptcy Procedure; and further finding that the Trustee and April Straus wish to compromise and resolve the legal and factual issues and claims raised in the Complaint and otherwise asserted by the Trustee pertaining to April Straus only pursuant to the terms set forth herein and without admission or determination of the merits; and further finding that counsel for the Trustee and counsel for April Straus have placed their endorsements on this Order; and further finding that cause exists for granting the relief requested

and as set forth herein as they are in the best interests of the Estate and its creditors and April Straus; accordingly, it is:

- 1. ORDERED that no later than three (3) business days after entry of this Order, April Straus shall sign and deliver a quitclaim deed (the "Deed") to the Trustee that conveys to the Trustee all legal and equitable title of April Straus in the Grove Avenue Property in exchange for a payment by the Trustee to April Straus of \$30,000.00 (the "Administrative Claim"), which Administrative Claim is an allowed administrative claim in this Chapter 7 case on a full and final basis and which shall be paid pursuant to the terms further identified in this Order; and it is further
- 2. ORDERED that the allowed Administrative Claim shall be paid according to the following terms: (a) \$15,000.00 of the Administrative Claim will be paid by the Trustee to April Straus at the time of delivery of the Deed to the Trustee; and (b) the remaining \$15,000.00 of the Administrative Claim shall be paid from the cash closing proceeds from the sale of the Grove Avenue Property; provided, however, if there are not sufficient cash funds available from the closing proceeds to pay the Administrative Claim in full, the unpaid portion of the Administrative Claim shall be paid in full prior to the payment of any fees or reimbursement of expenses to counsel for the Trustee and it is further
- **3. ORDERED** that April Straus shall vacate the Grove Avenue Property on or before forty-five (45) days after entry of this Order; and it is further
- **4. ORDERED** that, among other items that may be agreed between the Trustee and April Straus, the refrigerators, freezers, washers, dryers, bathroom towel cabinet, and chandelier currently located in the Grove Avenue Property and owned by April Straus shall remain with the Grove Avenue Property and shall be considered property of the Estate under

Section 541 of the Bankruptcy Code; and it is further

- 5. **ORDERED** that April Straus, on behalf of herself and her successors and assigns, does hereby fully, finally, and forever waive, release, and/or discharge the Trustee, on behalf of himself and his heirs, successors, assigns, affiliates, associates, predecessors, employees, attorneys, and agents from any claim, including, without limitation, all actions, causes of action, suits, debts, obligations, liabilities, right(s) of first refusal, accounts, damages, defenses, or demands, known or unknown, that arise from any agreements and/or other transactions between April Straus and the Trustee accrued in whole or in part as of the date of entry hereof, excepting those obligations arising under or related to this Order and the performances required hereunder; and it is further
- 6. ORDERED that the Trustee, on behalf of himself and his successors and assigns, does hereby fully, finally, and forever waive, release, and/or discharge April Straus, on behalf of herself and her heirs, successors, assigns, attorneys, and agents from any claim, including, without limitation, all actions, causes of action, suits, debts, obligations, liabilities, accounts, damages, defenses, or demands, known or unknown, that arise from any agreements and/or other transactions between the Trustee and April Straus as well as any claims or causes of action against April Straus, accrued in whole or in part as of the date of entry hereof, including causes of action that are property of the Estate under 11 U.S.C. § 541; excepting those obligations arising under or related to this Order and the performances required hereunder; this release additionally shall benefit Straus Realty, Inc. as to those matters included in AP No. 18-03045- KLP, styled Peter J. Barrett v. Straus Realty, Inc. PROVIDED, HOWEVER, that this Release shall not affect any payments made or to be made by Straus Realty, LLC to the Trustee; and it is further

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7. **ORDERED** that April Straus waives her right to object to any sale motion

concerning the Grove Avenue Property filed by the Trustee in the above-captioned bankruptcy

case that is consistent with the terms hereof; and it is further

8. **ORDERED** that April Straus is hereby **DISMISSED** as a defendant with

prejudice in the above-captioned adversary proceeding; and it is further

9. **ORDERED** that the Trustee will file and serve a copy of this Order to all

creditors in Bankruptcy Case Number 18-30214-KLP, and provide the creditors in Bankruptcy

Case Number 18-30214-KLP with notice of entry of this Order that shall contain a fourteen (14)

day period to object to the terms of this Order; and it is further

**10. ORDERED** that this Order shall be immediately effective and enforceable upon

its entry notwithstanding any Federal Rule of Bankruptcy Procedure, Local Rule, and/or statute

to the contrary, and any applicable stay of this Order is waived; and it is further

11. **ORDERED** that the Trustee and April Straus are authorized to take all actions

necessary to effectuate the relief granted pursuant to this Order; and it is further

**12. ORDERED** that this Court shall retain jurisdiction to hear and determine all

matters arising from or related to the interpretation and/or implementation of this Order.

Dated: May 9 2019

Richmond, Virginia

/s/ Keith L. Phillips

United States Bankruptcy Judge

Entered on Docket: May 9 2019

I ask for this:

/s/ Robert S. Westermann

Robert S. Westermann (VSB No. 43294)

Alexander R. Kalyniuk (VSB No. 92325)

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akalyniuk@hirschlerlaw.com

Counsel to the Chapter 7 Trustee

Seen and agreed to:

/s/ W. R. Baldwin (with express permission via e-mail on May 9, 2019)

W. R. Baldwin, Esq. (VSB #16988) Meyer, Baldwin, Long, & Moore LLP 5600 Grove Avenue Richmond, Virginia 23226

Counsel to April Straus

#### **CERTIFICATE PURSUANT TO LOCAL BANKRUPTCY RULE 9022-1(C)**

I hereby certify that the foregoing Order has been endorsed by and/or served on all necessary parties.

<u>/s/ Robert S. Westermann</u>
Counsel to the Chapter 7 Trustee

#### **COPIES TO:**

### Robert E. Hicks, Debtor

c/o Robert A. Canfield Canfield, Wells & Kruck, LLP 4124 E. Parham Road Henrico, Virginia 23228

### **April Straus**

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